

**PART D. PAYMENT AND FINANCIAL REPORTING:**

5.

|   | Grantee   | HUD  |
|---|---|--|
| a) If the Grantee is a State, payments under awards that are not governed by a Treasury-State Cash Management Improvement Act (CMIA) agreement, or are not otherwise covered by subpart A of 31 CFR Part 205, must comply with subpart B of that part. If the CDBG-DR award is subject to subpart B, does the Grantee have standards to ensure the timing and amount of funds transfers as close as is administratively feasible to the State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs? [2 CFR 200.305(a); 31 CFR 205.33(a)] | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P page 16-17 Financial Reporting and Cash Drawdowns of Advances  |   |  |
| b) If the State transfers grant funds to subrecipients, does the State have a system to minimize the time elapsing between the receipt of funds from the Federal government and the transfer of funds to the subrecipients? [2 CFR 200.305(a); 31 CFR Part 205, Subpart B]  | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| Describe Basis for Conclusion:<br>Accounting P&P page 37 Cash Flow Management section   |   |  |

6.

|  | Grantee   | HUD  |
|--|---|--|
| a) If the Grantee is <b>not a State</b> and transfers grant funds to subrecipients, does the Grantee have standards to ensure the time elapsing is minimized between the receipt of funds from the Federal government and the transfer of funds to the subrecipients? [2 CFR 200.305(b)] | <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b>   |   |  |

|  |   |  |
|--|---|--|
| b) If the Grantee is <b>not a State</b> , and requests funds in advance, do the Grantee's standards allow the Grantee to minimize the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by the Grantee for direct program or project costs and the proportionate share of any allowable indirect costs; and are the advance payments limited to the minimum amounts needed and timed to be in accordance with the actual, immediate cash requirements of the Grantee in carrying out the purpose of the approved project or program? (NOTE: The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the Grantee.)<br>[2 CFR 200.305(b)(1)] | <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b>   |   |  |

7.

|  | Grantee   | HUD  |
|--|---|--|
| If a Grantee holds cash advances in excess of three business days, including cash advances provided to subrecipients, does the Grantee have standards to provide a sufficient justification? (NOTE: Holding cash advances for a period longer than three business days is not a violation <i>per se</i> ; it may become a preliminary screening measure to determine whether further explanations are required). | <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P, Page 5 #7 references compliance with 2 CFR Part 200.305  |   |  |

8.

|  | Grantee   | HUD  |
|--|---|--|
| a) Does the Grantee have standards to disburse funds available from program income (as defined by the Notice), including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds <u>before</u> requesting additional cash payments? [2 CFR 200.305(b)(5)] | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P Pages 18-20, Program Income   |   |  |

|  |   |  |
|--|---|--|
| b) Does the Grantee have standards to ensure advance payments of HUD funds will be deposited and maintained in insured accounts whenever possible?<br>[2 CFR 200.305(b)(7)(ii)]  | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P page 16, Financial Reporting #6   |   |  |
| c) If the Grantee receives grant advances, does the Grantee have standards to maintain the advance payments in an interest-bearing account <u>or</u> meet one of the following exceptions?<br>i. The Grantee receives less than \$120,000 in Federal awards per year.<br>ii. The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.<br>iii. The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.<br>[2 CFR 200.305(b)(8)] | <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Exception ii.  |   |  |

9.

|  | Grantee   | HUD  |
|--|---|--|
| If grant advances will be deposited into an interest-bearing account, does the Grantee have standards for remitting interest income in excess of \$500 annually to the Department of Health and Human Services Payment Management System (PMS) through an electronic medium using either the Automated Clearing House (ACH) network or a Fedwire Funds Service payment?<br>[2 CFR 200.305(b)(9)] | <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>N/A per above  |   |  |

**PART E. IMPROPER PAYMENTS**

10.

|   | Grantee   | HUD  |
|---|---|--|
| a) Does the Grantee have standards to ensure program expenditures will <i>not</i> result in improper payments?<br>(NOTE: Improper payments means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements and includes payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.) | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P page 29-31, Accounts Payable Management  |   |  |
| b) If the Grantee were to discover that an improper payment was made, does the Grantee have a system to take appropriate corrective action(s)?<br>[2 CFR 200.302(b)(4) and 2 CFR 200.303(d)]  | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Describe Basis for Conclusion:</b><br>Accounting P&P page 29   |   |  |

**PART F. PROGRAM INCOME**

12.

|  | Grantee   | HUD  |
|--|---|--|
| If revenue-generating activities will be undertaken (e.g., rehabilitation loans, economic development loans), does the Grantee have a system to establish revenue accounts in its accounting records to record program income (as defined by the Notice)?<br>[2 CFR 200.302(b)(3)] | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Describe Basis for Conclusion:</b><br>Accounting P&P p. 18-20, Program Income   |   |  |

13.

|  | Grantee   | HUD  |
|--|---|--|
| a) Does the Grantee have a system to track program income (as defined by the Notice) generated by subrecipients?<br>[2 CFR 200.302(b)(4)]  | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Describe Basis for Conclusion:</b><br>Accounting P&P p. 18-20, Program Income   |   |  |
| b) Does the Grantee have a system to track program income (as defined by the Notice) retained by the subrecipient for ensuring that such income is reported in a timely and accurate manner?<br>[2 CFR 200.302(b)(2)]  | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Describe Basis for Conclusion:</b><br>Accounting P&P p. 18-20, Program Income   |   |  |
| c) Upon expiration of any agreements between the Grantee and its subrecipients, does the Grantee have a system to ensure the timely transfer of any funds required to be returned to the Grantee; and/or the timely transfer of outstanding loans or accounts receivable?<br>[2 CFR 200.302(b)(4)] | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Describe Basis for Conclusion:</b><br>Accounting P&P p. 18-20 Program Income  |   |  |

14.

|   | Grantee   | HUD  |
|---|---|--|
| Does the Grantee have standards to ensure that it will comply with the requirements governing the reporting on receipt and use of program income in the Disaster Recovery Grant Reporting System (DRGR)?<br>[2 CFR 200.302(b)(2)] | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P – page 37 Federal Award Reporting and pages 18-20 Program Income   |   |  |

**PART G. REVISION OF BUDGET AND PROGRAM PLANS**

15.

|  | Grantee   | HUD  |
|--|---|--|
| a) Does the Grantee have standards to ensure that any changes made to the approved project's budget, scope, or objectives will be identified to HUD? | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P p. 45 Budget Modifications  |   |  |

|  | Grantee   | HUD  |
|--|---|--|
| b) Does the Grantee have standards to require HUD approval before making any of the following changes to a non-construction award?   | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| i. Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).   |   |  |
| ii. Change in a key person specified in the application or the Federal award.  |   |  |
| iii. The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.  |   |  |
| iv. The inclusion, unless waived by HUD, of costs that require prior approval in accordance with Subpart E—Cost Principles of 2 CFR part 200, or 45 CFR part 75 Appendix IX, <i>Principles for Determining Costs Applicable to Research and Development under Awards and Contracts with Hospitals</i> , or 48 CFR part 31, <i>Contract Cost Principles and Procedures</i> , as applicable. |   |  |
| v. The transfer of funds budgeted for participant support costs as defined in §200.75, <i>Participant support costs</i> , to other categories of expense.  |   |  |
| vi. Unless described in the application and funded in the approved Federal awards, the subawarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards as described in §200.332, <i>Fixed amount subawards</i> (this provision does not apply to the acquisition of supplies, material, equipment or general support services).           |   |  |
| vii. Changes in the approved cost sharing or matching provided by the Grantee.   |   |  |
| viii. The need arises for additional Federal funds to complete the project.  |   |  |
| [2 CFR 200.308(c)(1)]  |   |  |
| <b>Provide Cross-Reference to Standards:</b>   |   |  |

## Accounting P&amp;P Page 44 Budget and Program Revisions

16.

|  | Grantee   | HUD  |
|--|---|--|
| Does the Grantee have standards to require HUD approval before making any of the following budget revisions whenever (a), (b), or (c) below applies to a construction award?   | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| a. The revision results from changes in the scope or the objective of the project or program.<br>b. The need arises for additional Federal funds to complete the project.<br>c. A revision is desired which involves specific costs for which prior written approval requirements may be imposed consistent with applicable OMB cost principles listed in 2 CFR part 200, Subpart E—Cost Principles.<br>[2 CFR 200.308(g)] |   |  |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P p.45 Budget Modifications   |   |  |

**PART H. PERIOD OF PERFORMANCE**

17.

|   | Grantee  | HUD   |
|---|--|---|
| Does the Grantee have standards to ensure it will charge to the HUD award only allowable costs (except as described in §200.461, <i>Publication and printing costs</i> ) incurred during the period of performance and authorized pre-award costs?<br>[2 CFR 200.309] | <input checked="" type="checkbox"/> <input type="checkbox"/><br>Yes No | <input type="checkbox"/> <input type="checkbox"/><br>Yes No |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P page 26-29 Charging Costs to Federal Awards  |  |   |

**PART I. RECORD RETENTION AND ACCESS**

18.

| Grantee  | HUD   | Grantee  |
|--|---|--|
| Does the Grantee have standards to comply with applicable record retention and access requirements?<br>[24 CFR 570.502; or 24 CFR 570.490] | <input type="checkbox"/> <input type="checkbox"/><br>Yes No | <input checked="" type="checkbox"/> <input type="checkbox"/><br>Yes No |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P page 49 Record Retention  |   |  |



**PART J. AUDIT REQUIREMENTS**

**Instructions:** A Grantee that expends \$750,000 or more during the Grantee's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of 2 CFR part 200, Subpart F, *Audit Requirements*. Grantees that provide Federal awards to subrecipients are referred to as "pass-through entities." A subrecipient must also have a single or program-specific audit if it meets the \$750,000 expenditure threshold. Pass-through entities are required by 2 CFR 200.331 to ensure compliance with Subpart F. A Grantee that expends less than \$750,000 in Federal awards during the entity's fiscal year is exempt from audit requirements for that year, except as noted in 2 CFR 200.503. This section of questions is designed to assist the HUD reviewer in determining whether the Grantee is able to comply with the required elements of an audits management system.

19.

|  | Grantee  | HUD   |
|--|--|---|
| Does the Grantee have standards to meet the annual expenditure threshold (\$750,000) for having a single or program-specific audit conducted? If "no," skip questions 22 through 27.   | <input checked="" type="checkbox"/> <input type="checkbox"/><br>Yes No | <input type="checkbox"/> <input type="checkbox"/><br>Yes No |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P pages 45-48, Annual Audit. The Financial Accounting and Reporting Sections (FARS) within the State Auditor's Office ensures the performance of a single audit each fiscal Year. |  |   |

20.

|  | Grantee  | HUD   |
|--|--|---|
| a) Does the Grantee have standards to procure or arrange for the audit services in accordance with the procurement standards at 2 CFR 200.317 – 200.326?<br>[2 CFR 200.508(a) and 2 CFR 200.509]   | <input checked="" type="checkbox"/> <input type="checkbox"/><br>Yes No | <input type="checkbox"/> <input type="checkbox"/><br>Yes No |
| <b>Provide Cross-Reference to Standards:</b><br>State Auditor procures audit services under West Virginia Purchasing Division Procedures Handbooks Section 3.7.1.2. See Appendix RFP-5   |  |   |
| b) Does the Grantee have standards to request for proposal audit services that clearly state the objectives and scope of the audit?<br>NOTE: the Grantee requests a copy of the audit organization's peer review report which the auditor is required to provide under Generally Accepted Government Auditing Standards (GAGAS)?<br>[2 CFR 200.509(a)] | <input checked="" type="checkbox"/> <input type="checkbox"/><br>Yes No | <input type="checkbox"/> <input type="checkbox"/><br>Yes No |
| <b>Provide Cross-Reference to Standards:</b><br>State Auditor procures audit services under West Virginia Purchasing Division Procedures Handbooks Section 6. See Appendix RFP-5.  |  |   |



|   |   |  |
|---|---|--|
| c) Does the Grantee have standards to apply the factors, to be considered in evaluating the proposal for audit services which include the responsiveness to the request for proposal, relevant experience, availability of staff with professional qualifications and technical abilities, the results of peer and external quality control reviews, and price?<br>[2 CFR 200.509(a)] | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>Provide Cross-Reference to Standards:</b> State Auditor procures audit services under West Virginia Purchasing Division Procedures Handbook Section 6.2.4 See Appendix RFM-5   |   |  |
| d) Does the Grantee have standards to make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, in procuring audit services as stated in §200.321, <i>Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms</i> ?<br>[2 CFR 200.509(a)]   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>Provide Cross-Reference to Standards:</b><br>See West Virginia Division Procedures Handbook, Sections 4.4 and 6.3.2 See Appendix RFM-5   |   |  |

21.

|  | Grantee   | HUD  |
|--|---|--|
| Does the Grantee have standards for the auditee prepare financial statements, including the schedule of expenditures of Federal awards, required by 2 CFR 200.510?<br>[2 CFR 200.508(b)] | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>Provide Cross-Reference to Standards:</b><br>West Virginia State Auditor includes this requirement each year in the scope of services for its external auditor                        |   |  |

22.

|   | Grantee   | HUD  |
|---|---|--|
| Does the Grantee have standards to promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with 2 CFR 200.511(b) and 2 CFR 200.511(c), respectively?<br>[2 CFR 200.303(d) and 2 CFR 200.508(c)] | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P page 45-47   |   |  |

23.

|  | Grantee  | HUD   |
|--|--|---|
| Does the Grantee have a system to electronically submit to the Federal Audit Clearinghouse the data collection form described in 2 CFR 200.512(b) and reporting package described in 2 CFR 200.512(c) within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period?<br>[2 CFR 200.512(a) and (d)] | <input checked="" type="checkbox"/> <input type="checkbox"/><br>Yes No | <input type="checkbox"/> <input type="checkbox"/><br>Yes No |
| <b>Describe Basis for Conclusion:</b><br>Accounting P&P page 45, Role of Independent Auditor   |  |   |

24.

|   | Grantee   | HUD  |
|---|---|--|
| a) Does the Grantee have standards to inform subrecipients of the 2 CFR part 200, Subpart F audit requirements at the time of the subaward?<br>[2 CFR 200.331(a)(2)]  | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P pages 23-25, Monitoring of Subrecipients   |   |  |
| b) Does the Grantee have standards to verify that every subrecipient is audited, as required by Subpart F, when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the \$750,000 expenditure threshold?<br>[2 CFR 200.331(f)] | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P p. 24 #9   |   |  |
| c) Does the Grantee have standards to ensure that the subrecipients take timely and appropriate action on all deficiencies pertaining to HUD awards it provided to subrecipients that were detected through audits, on-site reviews and other means?<br>[2 CFR 200.331(d)(2)]                   | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P Page 24-25 #10f and 12   |   |  |
| d) Does the Grantee have standards to issue a management decision for audit findings that relate to HUD awards that it makes to subrecipients?<br>[2 CFR 200.331(d)(3)]   | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |

**Provide Cross-Reference to Standards:**

Accounting P&amp;P 24 #9, Monitoring of Subrecipients

25.

|   | Grantee   | HUD  |
|---|---|--|
| Does the Grantee have standards to ensure that the HUD award is charged no more than a reasonably proportionate share of the costs of audits required by, and performed in accordance with 2 CFR part 200, Subpart F?<br>[2 CFR 200.425(a)] | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/><br>Yes No N/A |
| <b>Provide Cross-Reference to Standards:</b><br>Accounting P&P p. 24 #9, Monitoring of Subrecipients  |   |  |

26.

When a auditee expends Federal awards under only one Federal program and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with §200.507, *Program-specific audits*. When a program-specific audit is elected for a HUD program, the auditee and auditor must have basically the same responsibilities for the Federal program as they would have for an audit of a major program in a single audit. Answer the following questions only if the Grantee has elected to have a previous program-specific audit performed.

|  | Grantee  | HUD   |
|--|--|---|
| a) Does the Grantee have standards to ensure the auditee prepared the financial statement(s) for the HUD program that includes, at a minimum, a schedule of expenditures of Federal awards for the program and notes that describe the significant accounting policies used in preparing the schedule, a summary schedule of prior audit findings consistent with the requirements of 2 CFR 200.511(b), and a corrective action plan consistent with the requirements of 2 CFR 200.511(c)?<br>[2 CFR 200.507(b)] | <input type="checkbox"/> <input checked="" type="checkbox"/><br>Yes No | <input type="checkbox"/> <input type="checkbox"/><br>Yes No |
| <b>Provide Cross-Reference to Standards:</b><br>West Virginia does not anticipate conducting a program specific audit.   |  |   |
| b) Does the Grantee have a system to electronically submit to the Federal Audit Clearinghouse the reporting package required by 2 CFR 200.507(c)(3) and the data collection form prepared in accordance with 2 CFR 200.512(b) within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period?<br>[2 CFR 200.507(c)]   | <input type="checkbox"/> <input checked="" type="checkbox"/><br>Yes No | <input type="checkbox"/> <input type="checkbox"/><br>Yes No |

**Describe Basis for Conclusion:**

West Virginia does not anticipate conducting a program specific audit.



State of West Virginia  
Department of Administration  
Purchasing Division  
2019 Washington Street East  
Post Office Box 50130  
Charleston, WV 25305-0130

# Purchase Order

PURCHASE ORDER NO.  
FAR140001

PAGE  
1

BLANKET RELEASE

CORRECT PURCHASE ORDER NUMBER  
MUST APPEAR ON ALL PACKAGES,  
INVOICES, AND SHIPPING PAPERS.  
QUESTIONS CONCERNING THIS PUR-  
CHASE ORDER SHOULD BE DIRECTED  
TO THE BUYER AS NOTED BELOW.

CHANGE ORDER

## AGENCY COPY

DEPARTMENT OF ADMINISTRATION  
ACCOUNTING SECTION  
2019 WASHINGTON STREET, EAST  
POST OFFICE BOX 50121  
CHARLESTON, WV

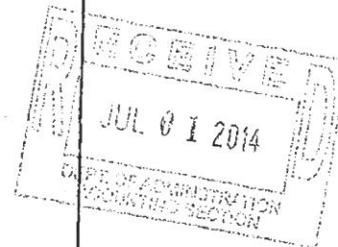
25305-0121

\*709023605 03 304-343-8971  
ERNST & YOUNG LLP  
900 UNITED CENTER  
500 VIRGINIA ST EAST  
CHARLESTON WV 25301

DEPARTMENT OF ADMINISTRATION  
FINANCIAL ACCOUNTING AND  
REPORTING SECTION  
2101 WASHINGTON ST E  
CHARLESTON, WV

25305-1510 304-558-4083

|   |                                      |               |                |               |        |                |  |
|---|--------------------------------------|---------------|----------------|---------------|--------|----------------|--|
| DATE PRINTED  |                                      | TERMS OF SALE |                | FEIN/SSN      |        | FUND           |  |
| 06/27/2014  |                                      | NET 30        |                |               |        |                |  |
| SHIP VIA  |                                      | F.O.B.        |                | FREIGHT TERMS |        | FIMS           |  |
| BEST WAY  |                                      | DESTINATION   |                | PREPAID       |        | ACCOUNT NUMBER |  |
|   |                                      |               |                |               |        | E26080         |  |
| LINE  | QUANTITY                             | UOP           | VENDOR ITEM NO | UNIT PRICE    | AMOUNT |                |  |
|   | DELIVERY DATE                        | CAT NO        | ITEM NUMBER    |               |        |                |  |
|   | STATE "CAFR" AUDIT SERVICES CONTRACT |               |                |               |        |                |  |
|   | 05/15/2014                           |               | 946-20         |               |        |                |  |
|   | AUDIT OF STATE CAFR                  |               |                |               |        |                |  |
| THE VENDOR: ERNST & YOUNG, LLP. OF CHARLESTON, WV. AGREES TO CONTRACT WITH THE AGENCY, WEST VIRGINIA, DIVISION OF FINANCE TO PERFORM THE "SINGLE AUDIT" OF THE STATE OF WEST VIRGINIA AND THE FINANCIAL AUDIT OF THE BASIC FINANCIAL STATEMENTS OF THE STATE'S COMPREHENSIVE ANNUAL FINANCIAL REPORT "CAFR" FOR THE FINANCIAL YEAR ENDING: JUNE 30, 2014, PER THE FOLLOWING REQUIREMENTS, TERMS AND CONDITIONS, THE INFORMATION FROM ADDENDUM NO.01; DATED: 4/16/14, ADDENDUM NO.02; DATED: 4/18/14, ADDENDUM NO.03; DATED 4/25/14; AND ADDENDUM NO. 04; DATED: 5/14/14 AS WELL AS THE VENDOR'S SUBMITTED PROPOSAL DATED: 5/20/14 INCORPORATED HEREIN BY REFERENCE AND MADE A PART HERE OF. |                                      |               |                |               |        |                |  |



PURCHASING DIVISION  
CERTIFIED ENCUMBERED

JUN 30 2014

*Beverly Toler*

APPROVAL AS TO FORM IS REQUIRED BY ATTORNEY GENERAL, CHECK HERE ☒

1,124,500.00

TOTAL

GUY NISBET

304-558-2596

BY

PURCHASING DIVISION AUTHORIZED SIGNATURE

APPROVED AS TO FORM BY  
ASSISTANT ATTORNEY GENERAL

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At the end of the day

### **GENERAL TERMS AND CONDITIONS:**

1. **CONTRACTUAL AGREEMENT:** Issuance of a Purchase Order signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.
  
2. **DEFINITIONS:** As used in this Solicitation/Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation/Contract.
  - 2.1 **"Agency" or "Agencies"** means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.
  - 2.2 **"Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods and services requested in the Solicitation.
  - 2.3 **"Director"** means the Director of the West Virginia Department of Administration, Purchasing Division.
  - 2.4 **"Purchasing Division"** means the West Virginia Department of Administration, Purchasing Division.
  - 2.5 **"Purchase Order"** means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the successful bidder and Contract holder.
  - 2.6 **"Solicitation"** means the official solicitation published by the Purchasing Division and identified by number on the first page thereof.
  - 2.7 **"State"** means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.
  - 2.8 **"Vendor" or "Vendors"** means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

3. **CONTRACT TERM; RENEWAL; EXTENSION:** The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

☐ **Term Contract**

**Initial Contract Term:** This Contract becomes effective on July 01, 2014

and extends for a period of        year        year(s).

**Renewal Term:** This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal must be submitted to the Purchasing Division Director thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Renewal of this Contract is limited to        three (3)        successive one (1) year periods. Automatic renewal of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases. Attorney General approval may be required for vendor terms and conditions.

**Reasonable Time Extension:** At the sole discretion of the Purchasing Division Director, and with approval from the Attorney General's office (Attorney General approval is as to form only), this Contract may be extended for a reasonable time after the initial Contract term or after any renewal term as may be necessary to obtain a new contract or renew this Contract. Any reasonable time extension shall not exceed twelve (12) months. Vendor may avoid a reasonable time extension by providing the Purchasing Division Director with written notice of Vendor's desire to terminate this Contract 30 days prior to the expiration of the then current term. During any reasonable time extension period, the Vendor may terminate this Contract for any reason upon giving the Purchasing Division Director 30 days written notice. Automatic extension of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases, but Attorney General approval may be required.

**Release Order Limitations:** In the event that this contract permits release orders, a release order may only be issued during the time this Contract is in effect. Any release order issued within one year of the expiration of this Contract shall be effective for one year from the date the release order is issued. No release order may be extended beyond one year after this Contract has expired.

☐ **Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within        days.

☐ **One Time Purchase:** The term of this Contract shall run from the issuance of the Purchase Order until all of the goods contracted for have been delivered, but in no event shall this Contract extend for more than one fiscal year.

☒ **Other:** See attached.

4. **NOTICE TO PROCEED:** Vendor shall begin performance of this Contract immediately upon receiving notice to proceed unless otherwise instructed by the Agency. Unless otherwise specified, the fully executed Purchase Order will be considered notice to proceed
5. **QUANTITIES:** The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.
- ☐ **Open End Contract:** Quantities listed in this Solicitation are approximations only, based on estimates supplied by the Agency. It is understood and agreed that the Contract shall cover the quantities actually ordered for delivery during the term of the Contract, whether more or less than the quantities shown.
- ☐ **Service:** The scope of the service to be provided will be more clearly defined in the specifications included herewith.
- ☒ **Combined Service and Goods:** The scope of the service and deliverable goods to be provided will be more clearly defined in the specifications included herewith.
- ☐ **One Time Purchase:** This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General's office.
6. **PRICING:** The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification.
7. **EMERGENCY PURCHASES:** The Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this Contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute of breach of this Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.
8. **REQUIRED DOCUMENTS:** All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.

- ☐ **BID BOND:** All Vendors shall furnish a bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.
- ☐ **PERFORMANCE BOND:** The apparent successful Vendor shall provide a performance bond in the amount of . The performance bond must be issued and received by the Purchasing Division prior to Contract award. On construction contracts, the performance bond must be 100% of the Contract value.
- ☐ **LABOR/MATERIAL PAYMENT BOND:** The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be issued and delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable.

- ☐ **MAINTENANCE BOND:** The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.
- ☒ **WORKERS' COMPENSATION INSURANCE:** The apparent successful Vendor shall have appropriate workers' compensation insurance and shall provide proof thereof upon request.
- ☒ **INSURANCE:** The apparent successful Vendor shall furnish proof of the following insurance prior to Contract award and shall list the state as a certificate holder:
- ☐ **Commercial General Liability Insurance:**  
or more.
  - ☐ **Builders Risk Insurance:** builders risk – all risk insurance in an amount equal to 100% of the amount of the Contract.
  - ☒ **Public Liability:** \$ 1,000,000.00
  - ☒ **Professional Liability:** \$5,000,000.00
  - ☒ **Property damage:** \$ 1,000,000.00
  - ☐
  - ☐

The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed above.

- ☐ **LICENSE(S) / CERTIFICATIONS / PERMITS:** In addition to anything required under the Section entitled Licensing, of the General Terms and Conditions, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits prior to Contract award, in a form acceptable to the Purchasing Division.

☐
☐
☐
☐

The apparent successful Vendor shall also furnish proof of any additional licenses or certifications contained in the specifications prior to Contract award regardless of whether or not that requirement is listed above.

9. **LITIGATION BOND:** The Director reserves the right to require any Vendor that files a protest of an award to submit a litigation bond in the amount equal to one percent of the lowest bid submitted or \$5,000, whichever is greater. The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to, the purpose of harassing, causing unnecessary delay, or needless expense for the Agency. All litigation bonds shall be made payable to the Purchasing Division. In lieu of a bond, the protester may submit a cashier's check or certified check payable to the Purchasing Division. Cashier's or certified checks will be deposited with and held by the State Treasurer's office. If it is determined that the protest has not been filed for frivolous or improper purpose, the bond or deposit shall be returned in its entirety.
10. **ALTERNATES:** Any model, brand, or specification listed herein establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.
11. **EXCEPTIONS AND CLARIFICATIONS:** The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or

other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.

**12. LIQUIDATED DAMAGES:** Vendor shall pay liquidated damages in the amount  
for

This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy.

**13. ACCEPTANCE/REJECTION:** The State may accept or reject any bid in whole, or in part. Vendor's signature on its bid signifies acceptance of the terms and conditions contained in the Solicitation and Vendor agrees to be bound by the terms of the Contract, as reflected in the Purchase Order, upon receipt.

**14. REGISTRATION:** Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee if applicable.

**15. COMMUNICATION LIMITATIONS:** In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.

**16. FUNDING:** This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available.

**17. PAYMENT:** Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled "Invoice To."

**18. UNIT PRICE:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.

**19. DELIVERY:** All quotations are considered freight on board destination ("F.O.B. destination") unless alternate shipping terms are clearly identified in the bid. Vendor's listing of shipping terms that contradict the shipping terms expressly required by this Solicitation may result in bid disqualification.

**20. INTEREST:** Interest attributable to late payment will only be permitted if authorized by the West Virginia Code. Presently, there is no provision in the law for interest on late payments.

**21. PREFERENCE:** Vendor Preference may only be granted upon written request and only in accordance with the West Virginia Code § 5A-3-37 and the West Virginia Code of State Rules. A Resident Vendor Certification form has been attached hereto to allow Vendor to apply for the preference. Vendor's



failure to submit the Resident Vendor Certification form with its bid will result in denial of Vendor Preference. Vendor Preference does not apply to construction projects.

22. **SMALL, WOMEN-OWNED, OR MINORITY-OWNED BUSINESSES:** For any solicitations publicly advertised for bid on or after July 1, 2012, in accordance with West Virginia Code §5A-3-37(a)(7) and W. Va. CSR § 148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR § 148-22-9 shall be provided the same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR § 148-22-9 prior to submission of its bid to receive the preferences made available to resident vendors. Preference for a non-resident small, women-owned, or minority-owned business shall be applied in accordance with W. Va. CSR § 148-22-9.
23. **TAXES:** The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
24. **CANCELLATION:** The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-7.16.2.
25. **WAIVER OF MINOR IRREGULARITIES:** The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules § 148-1-4.6.
26. **TIME:** Time is of the essence with regard to all matters of time and performance in this Contract.
27. **APPLICABLE LAW:** This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code or West Virginia Code of State Rules is void and of no effect.
28. **COMPLIANCE:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendors acknowledge that they have reviewed, understand, and will comply with all applicable law.
29. **PREVAILING WAGE:** On any contract for the construction of a public improvement, Vendor and any subcontractors utilized by Vendor shall pay a rate or rates of wages which shall not be less than the fair minimum rate or rates of wages (prevailing wage), as established by the West Virginia Division of Labor under West Virginia Code §§ 21-5A-1 et seq. and available at <http://www.sos.wv.gov/administrative-law/wagerates/Pages/default.aspx>. Vendor shall be responsible for ensuring compliance with prevailing wage requirements and determining when prevailing wage

requirements are applicable. The required contract provisions contained in West Virginia Code of State Rules § 42-7-3 are specifically incorporated herein by reference.

30. **ARBITRATION:** Any references made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.
31. **MODIFICATIONS:** This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary, no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). **No Change shall be implemented by the Vendor until such time as the Vendor receives an approved written change order from the Purchasing Division.**
32. **WAIVER:** The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.
33. **SUBSEQUENT FORMS:** The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.
34. **ASSIGNMENT:** Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments. Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.
35. **WARRANTY:** The Vendor expressly warrants that the goods and/or services covered by this Contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.
36. **STATE EMPLOYEES:** State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.
37. **BANKRUPTCY:** In the event the Vendor files for bankruptcy protection, the State of West Virginia may deem this Contract null and void, and terminate this Contract without notice.